

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 6248**

**BILL NUMBER: SB 277**

**DATE PREPARED:** Feb 20, 2002

**BILL AMENDED:** Feb 19, 2002

**SUBJECT:** ICHIA Reporting.

**FISCAL ANALYST:** Alan Gossard

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**FUNDS AFFECTED: X GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** State

**Summary of Legislation:** (Amended) This bill requires the Department of Insurance to adopt rules regulating use of credit information by certain insurers. The bill also amends the interest rate upon which the minimum forfeiture amount for annuity contracts issued from July 1, 2002, through June 30, 2004, is based.

The bill also requires a member of the Indiana Comprehensive Health Insurance Association (ICHIA) to annually report the amount of tax credits taken against ICHIA assessments by the member. It requires ICHIA to report certain information annually for three years. (The introduced version of this bill was prepared by the Health Finance Commission.)

**Effective Date:** (Amended) Upon passage; July 1, 2002.

**Explanation of State Expenditures:** (Revised) *ICHIA Reporting Requirement:* This provision would require ICHIA members to annually report the amount of tax credits taken against each member's tax liability for the purpose of gaining information as to the reported inability to take full advantage of the tax credit provision. This information is to be reported to ICHIA, the Legislative Council, and to the Department of Insurance. There should be no additional costs to the program since ICHIA regularly communicates with members, and no additional notification expenditures would be required. ICHIA is also required to report specified information to the Legislative Council and to the Department of Insurance.

*Credit Information Rules:* The bill also requires the Department of Insurance to adopt rules regulating the use of credit information by insurers. This represents an additional requirement upon the Department of Insurance that could be performed within the Department's budget.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** ICHIA, Department of Insurance.

**Local Agencies Affected:**

**Information Sources:**